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June 20, 2006

The Honorable Charles L.A. Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Application of Carolina Water Service, Inc. for adjustment of rates and charges
for the provision of water and sewer service; Docket 2006-92-WS

Dear Mr. Terreni:

I am writing to you in your capacity of Hearing Officer in the above-captioned docket. The purpose of this letter is to put before the Commission and you a motion to modify the remaining testimony pre-filing dates and the hearing dates in this case. The basis for this motion is as follows.

As you are aware, Carolina Water Service, Inc. ("CWS") has been actively engaged in negotiations with Dorchester County ("County") for an agreement whereby the County would acquire all of CWS's assets used and useful in providing water and sewer service in that county. I am pleased to report to you that the Dorchester County Council, at its meeting held last night, approved the acquisition and has authorized the County Administrator and County Attorney to move forward with finalizing the written agreement between the County and CWS for that purpose. CWS and the County are currently working on a final version of such an agreement and anticipate that they will be shortly submitting to the Commission an application for approval of the agreement and the underlying transfer. Obviously, that application will need to be noticed to the affected customers of CWS in Dorchester County.

As you are further aware, the transfer of the CWS assets in Dorchester County, if approved by the Commission, would have an impact upon the rate base, expenses and revenues which are the subject of the above-referenced application for rate relief. Currently, CWS and the Office of Regulatory Staff ("ORS") are engaged in analyzing and quantifying this impact. However, this analysis will not be completed by June 23, 2006, which is the date currently established for pre-filing of testimony by ORS.

(Continued...)

In light of the foregoing, CWS believes that quasi-judicial / administrative economy would be served if the hearing in this docket could be continued and the remaining testimony pre-filing dates be modified accordingly so that the anticipated transfer of CWS's Dorchester County assets can be assimilated into the record of the above-captioned docket. If such a modification could be made, the Commission will have an opportunity to consider the anticipated transfer application prior to making a determination on the pending rate relief application and would be able to consider the rate relief sought in this docket in light of complete information with respect to rate base, expenses and revenues.

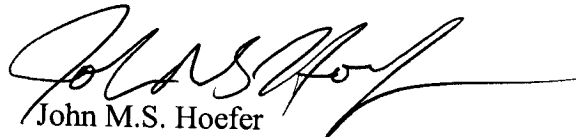
CWS is mindful that the Commission has a large docket of cases and that hearing dates are necessarily a function of that fact. CWS is also mindful that a decision by the Commission in this docket would be due on or before September 27, 2006, if not extended for five (5) additional days pursuant to S.C. Code Ann. § 58-5-240 (D) (Supp. 2005). CWS would therefore request that the Commission consider re-setting the hearings in this case at the latest date possible taking into account these limitations.

I have been authorized by Shannon B. Hudson, Esquire, co-counsel for ORS in this docket, to inform you that ORS consents to this motion.

If you have any questions, or need additional information to consider this request, please do not hesitate to contact me. With best regards, I am

Respectfully

WILLOUGHBY & HOEFER, P.A.



John M.S. Hoefer

JMSH/twb

cc: Shannon Bowyer Hudson, Esquire